

# House Amendment 1460

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1 1 Amend House File 847 as follows:  
1 2 #1. Page 1, by inserting before line 1, the  
1 3 following:  
1 4 <DIVISION I  
1 5 LOCAL FUNDING OF ESSENTIAL SERVICES>.  
1 6 #2. Page 2, by inserting before line 31, the  
1 7 following:  
1 8 <DIVISION II  
1 9 PROPERTY ASSESSMENT>.  
1 10  
1 11 #3. Page 20, line 26, by inserting after the word  
1 12 <this> the following: <division of this>.  
1 13 #4. Page 20, by inserting before line 30, the  
1 14 following:  
1 15 <DIVISION III  
1 16 MAXIMUM PROPERTY TAX DOLLARS  
1 17 Sec. \_\_\_\_\_. Section 24.48, unnumbered paragraphs 4,  
1 18 5, and 7, Code 2005, are amended by striking the  
1 19 unnumbered paragraphs.  
1 20 Sec. \_\_\_\_\_. Section 24.48, unnumbered paragraph 6,  
1 21 Code 2005, is amended to read as follows:  
1 22 For purposes of this section only, "political  
1 23 subdivision" means a ~~city~~, school district, or any  
1 24 other special purpose district which certifies its  
1 25 budget to the county auditor and derives funds from a  
1 26 property tax levied against taxable property situated  
1 27 within the political subdivision.  
1 28 Sec. \_\_\_\_\_. Section 331.263, subsection 2, Code  
1 29 2005, is amended to read as follows:  
1 30 2. The governing body of the community  
1 31 commonwealth shall have the authority to levy county  
1 32 taxes and shall have the authority to levy city taxes  
1 33 to the extent the city tax levy authority is  
1 34 transferred by the charter to the community  
1 35 commonwealth. A city participating in the community  
1 36 commonwealth shall transfer a portion of the city's  
1 37 tax levy authorized under section 384.1 or 384.12,  
1 38 whichever is applicable, to the governing body of the  
1 39 community commonwealth. The maximum ~~rates~~ amount of  
1 40 taxes authorized to be levied under ~~sections~~ section  
1 41 384.1 and the maximum rates of taxes authorized to be  
1 42 levied under section 384.12 by a city participating in  
1 43 the community commonwealth shall be reduced by an  
1 44 amount equal to the rates of the same or similar taxes  
1 45 levied in the city by the governing body of the  
1 46 community commonwealth.  
1 47 Sec. \_\_\_\_\_. Section 331.325, Code 2005, is amended  
1 48 to read as follows:  
1 49 331.325 CONTROL AND MAINTENANCE OF PIONEER  
1 50 CEMETERIES == CEMETERY COMMISSION.  
2 1 1. As used in this section, "pioneer cemetery"  
2 2 means a cemetery where there have been six or fewer  
2 3 burials in the preceding fifty years.  
2 4 2. Each county board of supervisors may adopt an  
2 5 ordinance assuming jurisdiction and control of pioneer  
2 6 cemeteries in the county. The board shall exercise  
2 7 the powers and duties of township trustees relating to  
2 8 the maintenance and repair of cemeteries in the county  
2 9 as provided in sections 359.28 through 359.41 except  
2 10 that the board shall not certify a tax levy pursuant  
2 11 to section 359.30 or 359.33 and except that the  
2 12 maintenance and repair of all cemeteries under the  
2 13 jurisdiction of the county including pioneer  
2 14 cemeteries shall be paid from the ~~county general~~  
2 15 cemetary fund. The maintenance and improvement  
2 16 program for a pioneer cemetery may include restoration  
2 17 and management of native prairie grasses and  
2 18 wildflowers.  
2 19 3. In lieu of management of the cemeteries, the  
2 20 board of supervisors may create, by ordinance, a  
2 21 cemetery commission to assume jurisdiction and  
2 22 management of the pioneer cemeteries in the county.  
2 23 The ordinance shall delineate the number of  
2 24 commissioners, the appointing authority, the term of

2 25 office, officers, employees, organizational matters,  
2 26 rules of procedure, compensation and expenses, and  
2 27 other matters deemed pertinent by the board. The  
2 28 board may delegate any power and duties relating to  
2 29 cemeteries which may otherwise be exercised by  
2 30 township trustees pursuant to sections 359.28 through  
2 31 359.41 to the cemetery commission except the  
2 32 commission shall not certify a tax levy pursuant to  
2 33 section 359.30 or 359.33 and except that the expenses  
2 34 of the cemetery commission shall be paid from the  
2 35 ~~county general cemetery~~ fund.

2 36 4. Notwithstanding sections 359.30 and 359.33, the  
2 37 costs of management, repair, and maintenance of  
2 38 pioneer cemeteries shall be paid from the ~~county~~  
2 39 ~~general cemetery~~ fund.

2 40 Sec. \_\_\_\_ Section 331.423, Code 2005, is amended  
2 41 by striking the section and inserting in lieu thereof  
2 42 the following:

2 43 331.423 PROPERTY TAX DOLLARS == MAXIMUMS.

2 44 1. Annually, the board shall determine separate  
2 45 property tax levy limits to pay for general county  
2 46 services and rural county services in accordance with  
2 47 this section. The property tax levies separately  
2 48 certified for general county services and rural county  
2 49 services in accordance with section 331.434 shall not  
2 50 exceed the amount determined under this section.

3 1 2. For purposes of this section and section  
3 2 331.423A:

3 3 a. "Annual price index" means the sum of one plus  
3 4 the change, computed to four decimal places, between  
3 5 the preliminary price index for the third quarter of  
3 6 the calendar year preceding the calendar year in which  
3 7 the budget year begins and the revised price index for  
3 8 the third quarter of the previous calendar year. The  
3 9 price index used shall be the state and local  
3 10 government chain-type price index used in the quantity  
3 11 and price indexes for gross domestic product as  
3 12 published by the United States department of commerce.

3 13 b. "Boundary adjustment" means annexation,  
3 14 severance, incorporation, or discontinuance as those  
3 15 terms are defined in section 368.1.

3 16 c. "Budget year" is the fiscal year beginning  
3 17 during the calendar year in which a budget is  
3 18 certified.

3 19 d. "Current fiscal year" is the fiscal year ending  
3 20 during the calendar year in which a budget is  
3 21 certified.

3 22 e. "Net new valuation taxes" means the amount of  
3 23 property tax dollars equal to the certified general  
3 24 rate for the current fiscal year for purposes of the  
3 25 general fund, or the certified rural rate for the  
3 26 current fiscal year for purposes of the rural services  
3 27 fund, times the increase from the current fiscal year  
3 28 to the budget year in taxable valuation due to the  
3 29 following:

3 30 (1) New construction.

3 31 (2) Additions or improvements to existing  
3 32 structures.

3 33 (3) Remodeling of existing structures for which a  
3 34 building permit is required.

3 35 (4) Net boundary adjustment.

3 36 (5) A municipality no longer dividing tax revenues  
3 37 in an urban renewal area as provided in section  
3 38 403.19, to the extent that the incremental valuation  
3 39 released is due to new construction or revaluation on  
3 40 property newly constructed, additions or improvements  
3 41 to existing property, net boundary adjustment, or  
3 42 expiration of tax abatements, all occurring after the  
3 43 division of revenue begins.

3 44 (6) That portion of taxable property located in an  
3 45 urban revitalization area on which an exemption was  
3 46 allowed and such exemption has expired.

3 47 3. a. For the fiscal year beginning July 1, 2008,  
3 48 and subsequent fiscal years, the maximum amount of  
3 49 property tax dollars which may be certified for levy  
3 50 by a county for general county services and rural  
4 1 county services shall be the maximum property tax  
4 2 dollars calculated under paragraphs "b" and "c",  
4 3 respectively.

4 4 b. The maximum property tax dollars that may be  
4 5 levied for general county services is an amount equal

4 6 to the sum of the following:  
4 7 (1) The annual price index times the current  
4 8 fiscal year's maximum property tax dollars for general  
4 9 county services.  
4 10 (2) The amount of net new valuation taxes in the  
4 11 county.  
4 12 c. The maximum property tax dollars that may be  
4 13 levied for rural county services is an amount equal to  
4 14 the sum of the following:  
4 15 (1) The annual price index times the current  
4 16 fiscal year's maximum property tax dollars for rural  
4 17 county services.  
4 18 (2) The amount of net new valuation taxes in the  
4 19 unincorporated area of the county.  
4 20 4. a. For purposes of calculating maximum  
4 21 property tax dollars for general county services for  
4 22 the fiscal year beginning July 1, 2008, only, the term  
4 23 "current fiscal year's maximum property tax dollars"  
4 24 shall mean the greater of the following:  
4 25 (1) The actual taxes certified for the general  
4 26 basic fund for either the fiscal year beginning July  
4 27 1, 2006, or the fiscal year beginning July 1, 2007, as  
4 28 selected by the county.  
4 29 (2) The taxes that could have been certified for  
4 30 the general basic fund for either the fiscal year  
4 31 beginning July 1, 2006, or the fiscal year beginning  
4 32 July 1, 2007, if the county had levied a rate of three  
4 33 dollars and fifty cents per one thousand dollars of  
4 34 valuation, as selected by the county.  
4 35 b. For purposes of calculating maximum property  
4 36 tax dollars for rural county services for the fiscal  
4 37 year beginning July 1, 2008, only, the term "current  
4 38 fiscal year's maximum property tax dollars" shall mean  
4 39 the greater of the following:  
4 40 (1) The actual taxes certified for the rural basic  
4 41 fund for either the fiscal year beginning July 1,  
4 42 2006, or the fiscal year beginning July 1, 2007, as  
4 43 selected by the county.  
4 44 (2) The taxes that could have been certified for  
4 45 the rural basic fund for either the fiscal year  
4 46 beginning July 1, 2006, or the fiscal year beginning  
4 47 July 1, 2007, if the county had levied a rate of three  
4 48 dollars and ninety-five cents per one thousand dollars  
4 49 of valuation, as selected by the county.  
4 50 c. Each county shall notify the department of  
5 1 management by August 1, 2007, whether it will use the  
5 2 fiscal year beginning July 1, 2006, or the fiscal year  
5 3 beginning July 1, 2007, for the calculation under this  
5 4 subsection. If a county does not notify the  
5 5 department by August 1, 2007, the fiscal year used for  
5 6 the calculation under this subsection shall be the  
5 7 fiscal year beginning July 1, 2007.  
5 8 5. Property taxes certified for deposit in the  
5 9 county general and rural supplemental funds in section  
5 10 331.424, the mental health, mental retardation, and  
5 11 developmental disabilities services fund in section  
5 12 331.424A, the cemetery fund in section 331.424B, the  
5 13 emergency services fund in section 331.424C, the debt  
5 14 service fund in section 331.430, any capital projects  
5 15 fund established by the county for deposit of bond,  
5 16 loan, or note proceeds, and any increase approved  
5 17 pursuant to sections 331.425 and 331.426, are not  
5 18 included in the maximum amount of property tax dollars  
5 19 that may be certified for a budget year under  
5 20 subsection 3.  
5 21 6. The department of management, in consultation  
5 22 with the county finance committee, shall adopt rules  
5 23 to administer this section. The department shall  
5 24 prescribe forms to be used by counties when making  
5 25 calculations required by this section.  
5 26 Sec.     . NEW SECTION. 331.423A ENDING FUND  
5 27 BALANCE LIMITATION.  
5 28 The county board of supervisors shall adopt a  
5 29 resolution on or before January 1, 2008, establishing  
5 30 a fund balance limitation in both the general basic  
5 31 and rural basic funds. The fund balance limitation  
5 32 shall be in the form of the unreserved, undesignated  
5 33 fund balance in each fund, expressed as a percentage  
5 34 of budgeted expenditures in the appropriate fund. The  
5 35 board of supervisors may change the fund balance  
5 36 limitation at any time after January 1, 2008, by

5 37 adopting a resolution stating the new fund balance  
5 38 limitation.  
5 39 Sec. \_\_\_\_\_. Section 331.424B, Code 2005, is amended  
5 40 to read as follows:  
5 41 331.424B CEMETERY LEVY.  
5 42 The board may levy annually a tax on all taxable  
5 43 property in the county not to exceed six and three=  
5 44 fourths cents per thousand dollars of the assessed  
5 45 value of all taxable property in the county to repair  
5 46 and maintain all cemeteries under the jurisdiction of  
5 47 the board including pioneer cemeteries and to pay  
5 48 other expenses of the board or the cemetery commission  
5 49 as provided in section 331.325. The proceeds of the  
5 50 tax levy shall be credited to the ~~county general~~  
6 1 cemetery fund.  
6 2 Sec. \_\_\_\_\_. Section 331.425, unnumbered paragraph 1,  
6 3 Code 2005, is amended to read as follows:  
6 4 The board may certify ~~an~~ for levy property tax  
6 5 dollars in addition to a levy in excess of the amounts  
6 6 otherwise permitted under sections 331.423, 331.424,  
6 7 and 331.426 the maximum amount of property tax dollars  
6 8 that may be levied, as computed under section 331.423,  
6 9 for the general basic fund and the rural basic fund if  
6 10 the proposition to certify an addition to a levy  
6 11 additional property tax dollars has been submitted at  
6 12 a special levy election and received a favorable  
6 13 majority of the votes cast on the proposition. A  
6 14 special levy election is subject to the following:  
6 15 Sec. \_\_\_\_\_. Section 331.425, subsection 3, Code  
6 16 2005, is amended by striking the subsection and  
6 17 inserting in lieu thereof the following:  
6 18 3. The proposition to exceed the maximum dollar  
6 19 amount shall be substantially in the following form:  
6 20 "Vote "yes" or "no" on the following question:  
6 21 Shall the county of \_\_\_\_\_ levy for an  
6 22 additional \$\_\_\_\_\_ each year for \_\_\_\_\_ years beginning  
6 23 July 1, \_\_\_\_\_, in excess of the statutory limits  
6 24 otherwise applicable for the (general county services  
6 25 or rural services) fund for the purposes of \_\_\_\_\_?"  
6 26 Sec. \_\_\_\_\_. Section 331.426, Code 2005, is amended  
6 27 to read as follows:  
6 28 331.426 ~~ADDITIONS TO BASIC LEVIES AUTHORITY TO~~  
6 29 ~~LEVY BEYOND MAXIMUM PROPERTY TAX DOLLARS == UNUSUAL~~  
6 30 ~~CIRCUMSTANCES.~~  
6 31 If a county has unusual circumstances, creating a  
6 32 need for additional property ~~taxes~~ tax dollars for  
6 33 general county services or rural county services in  
6 34 excess of the maximum amount ~~that can be raised by the~~  
6 35 ~~levies otherwise permitted under sections 331.423~~  
6 36 ~~through 331.425 of property tax dollars computed under~~  
6 37 ~~section 331.423,~~ the board may certify additions to  
6 38 each of the basic levies as follows:  
6 39 1. The basis for justifying ~~an~~ additional property  
6 40 tax dollars under this section must be one or more of  
6 41 the following:  
6 42 a. An unusual increase in population as determined  
6 43 by the preceding certified federal census.  
6 44 b. A natural disaster or other emergency.  
6 45 c. Unusual problems relating to major new  
6 46 functions required by state law.  
6 47 d. Unusual staffing problems.  
6 48 e. Unusual need for additional moneys to permit  
6 49 continuance of a program which provides substantial  
6 50 benefit to county residents.  
7 1 f. Unusual need for a new program which will  
7 2 provide substantial benefit to county residents, if  
7 3 the county establishes the need and the amount of  
7 4 necessary increased cost.  
7 5 g. A reduced or unusually low growth rate in the  
7 6 property tax base of the county.  
7 7 2. The public notice of a hearing on the county  
7 8 budget required by section 331.434, subsection 3,  
7 9 shall include the following additional information for  
7 10 the applicable class of services:  
7 11 a. A statement that the accompanying budget  
7 12 summary requires a proposed basic property tax rate  
7 13 exceeding the maximum rate ~~established by the general~~  
7 14 ~~assembly based on maximum property tax dollars~~  
7 15 ~~computed under section 331.423.~~  
7 16 b. A comparison of the proposed basic tax rate  
7 17 with the maximum basic tax rate, and the dollar amount

7 18 of the difference between the proposed rate and the  
7 19 maximum rate.

7 20 c. A statement of the major reasons for the  
7 21 difference between the proposed basic tax rate and the  
7 22 maximum basic tax rate.

7 23 The information required by this subsection shall  
7 24 be published in a conspicuous form as prescribed by  
7 25 the committee.

7 26 Sec. \_\_\_\_\_. Section 331.435, unnumbered paragraph 1,  
7 27 Code 2005, is amended to read as follows:

7 28 The board may amend the adopted county budget,  
7 29 subject to sections 331.423 through 331.426 and other  
7 30 applicable state law, to permit increases in any class  
7 31 of proposed expenditures contained in the certified  
7 32 ~~budget summary published under section 331.434,~~  
7 33 ~~subsection 3.~~

7 34 Sec. \_\_\_\_\_. Section 357B.8, subsection 2, paragraph  
7 35 c, Code 2005, is amended to read as follows:

7 36 c. The benefited fire district shall certify the  
7 37 tax levy as provided in this subsection only after  
7 38 agreement granted by resolution of the city council.  
7 39 The amount of the tax rate levied under this  
7 40 subsection shall reduce by an equal amount the maximum  
7 41 ~~tax levy amount of taxes authorized for the general~~  
7 42 ~~fund of that city levy~~ under section 384.1. If the  
7 43 district levies directly against property within a  
7 44 city to provide fire protection for that city, the  
7 45 city shall not be responsible for providing fire  
7 46 protection as provided in section 364.16, and shall  
7 47 have no liability for the method, manner, or means in  
7 48 which the district provides the fire protection.

7 49 Sec. \_\_\_\_\_. Section 373.10, Code 2005, is amended to  
7 50 read as follows:

8 1 373.10 TAXING AUTHORITY.

8 2 The metropolitan council shall have the authority  
8 3 to levy city taxes to the extent the city tax levy  
8 4 authority is transferred by the charter to the  
8 5 metropolitan council. A member city shall transfer a  
8 6 portion of the city's tax levy authorized under  
8 7 section 384.1 or 384.12, whichever is applicable, to  
8 8 the metropolitan council. The maximum ~~rates~~ amount of  
8 9 taxes authorized to be levied under ~~sections~~ section  
8 10 384.1 and the maximum rates of taxes authorized to be  
8 11 levied under section 384.12 by a member city shall be  
8 12 reduced by an amount equal to the rates of the same or  
8 13 similar taxes levied in the city by the metropolitan  
8 14 council.

8 15 Sec. \_\_\_\_\_. Section 384.1, Code 2005, is amended by  
8 16 striking the section and inserting in lieu thereof the  
8 17 following:

8 18 384.1 PROPERTY TAX DOLLARS == MAXIMUMS.

8 19 1. A city shall certify taxes to be levied by the  
8 20 county on all taxable property within the city limits,  
8 21 for all city government purposes. Annually, the city  
8 22 council may certify basic levies for deposit in the  
8 23 general fund, subject to the limitation on property  
8 24 tax dollars provided in this section.

8 25 2. For purposes of this section and section

8 26 384.1A:

8 27 a. "Annual price index" means the sum of one plus  
8 28 the change, computed to four decimal places, between  
8 29 the preliminary price index for the third quarter of  
8 30 the calendar year preceding the calendar year in which  
8 31 the budget year begins and the revised price index for  
8 32 the third quarter of the previous calendar year. The  
8 33 price index used shall be the state and local  
8 34 government chain-type price index used in the quantity  
8 35 and price indexes for gross domestic product as  
8 36 published by the United States department of commerce.

8 37 b. "Boundary adjustment" means annexation,  
8 38 severance, incorporation, or discontinuance as those  
8 39 terms are defined in section 368.1.

8 40 c. "Budget year" is the fiscal year beginning  
8 41 during the calendar year in which a budget is  
8 42 certified.

8 43 d. "Current fiscal year" is the fiscal year ending  
8 44 during the calendar year in which a budget is  
8 45 certified.

8 46 e. "Net new valuation taxes" means the amount of  
8 47 property tax dollars equal to the certified general  
8 48 rate for the current fiscal year for purposes of the

8 49 city general fund times the increase from the current  
8 50 fiscal year to the budget year in taxable valuation  
9 1 due to the following:  
9 2 (1) New construction.  
9 3 (2) Additions or improvements to existing  
9 4 structures.  
9 5 (3) Remodeling of existing structures for which a  
9 6 building permit is required.  
9 7 (4) Net boundary adjustment.  
9 8 (5) A municipality no longer dividing tax revenues  
9 9 in an urban renewal area as provided in section  
9 10 403.19, to the extent that the incremental valuation  
9 11 released is due to new construction or revaluation on  
9 12 property newly constructed, additions or improvements  
9 13 to existing property, net boundary adjustment, or  
9 14 expiration of tax abatements, all occurring after the  
9 15 division of revenue begins.  
9 16 (6) That portion of taxable property located in an  
9 17 urban revitalization area on which an exemption was  
9 18 allowed and such exemption has expired.  
9 19 3. a. For the fiscal year beginning July 1, 2008,  
9 20 and subsequent fiscal years, the maximum amount of  
9 21 property tax dollars which may be certified by a city  
9 22 for the general fund shall be the maximum property tax  
9 23 dollars calculated under paragraph "b".  
9 24 b. The maximum property tax dollars that may be  
9 25 levied for deposit in the general fund is an amount  
9 26 equal to the sum of the following:  
9 27 (1) The annual price index times the current  
9 28 fiscal year's maximum property tax dollars for the  
9 29 general fund.  
9 30 (2) The amount of net new valuation taxes.  
9 31 4. a. For purposes of calculating maximum  
9 32 property tax dollars for the city general fund for the  
9 33 fiscal year beginning July 1, 2008, only, the term  
9 34 "current fiscal year's maximum property tax dollars"  
9 35 shall mean the greater of the following:  
9 36 (1) The actual taxes certified for the general  
9 37 fund for either the fiscal year beginning July 1,  
9 38 2006, or the fiscal year beginning July 1, 2007, as  
9 39 selected by the city.  
9 40 (2) The taxes that could have been certified for  
9 41 the general fund for either the fiscal year beginning  
9 42 July 1, 2006, or the fiscal year beginning July 1,  
9 43 2007, if the city had levied a rate of eight dollars  
9 44 and ten cents per one thousand dollars of valuation,  
9 45 as selected by the city.  
9 46 b. Each city shall notify the department of  
9 47 management by August 1, 2007, whether it will use the  
9 48 fiscal year beginning July 1, 2006, or the fiscal year  
9 49 beginning July 1, 2007, for the calculation under this  
9 50 subsection. If a city does not notify the department  
10 1 by August 1, 2007, the fiscal year used for the  
10 2 calculation under this subsection shall be the fiscal  
10 3 year beginning July 1, 2007.  
10 4 5. Property taxes certified for deposit in the  
10 5 general fund do not include property taxes certified  
10 6 for the debt service fund in section 384.4, trust and  
10 7 agency funds in section 384.6, the capital  
10 8 improvements reserve fund in section 384.7, any  
10 9 capital projects fund established by the city for  
10 10 deposit of bond, loan, or note proceeds, property  
10 11 taxes collected from a voted levy in section 384.12,  
10 12 and property taxes levied under section 384.12,  
10 13 subsection 18, and any increase approved pursuant to  
10 14 section 384.12A. Such taxes certified for these funds  
10 15 and for these purposes shall not be included in the  
10 16 maximum amount of property tax dollars that may be  
10 17 certified for a budget year under subsection 3.  
10 18 6. Notwithstanding the maximum amount of taxes a  
10 19 city may certify for levy, the tax certified for levy  
10 20 by a city on tracts of land and improvements on the  
10 21 tracts of land used and assessed for agricultural or  
10 22 horticultural purposes shall not exceed three dollars  
10 23 and three-eighths cents per thousand dollars of  
10 24 assessed value in any year. Improvements located on  
10 25 such tracts of land and not used for agricultural or  
10 26 horticultural purposes and all residential dwellings  
10 27 are subject to the same rate of tax certified for levy  
10 28 by the city on all other taxable property within the  
10 29 city.

10 30 7. The department of management, in consultation  
10 31 with the city finance committee, shall adopt rules to  
10 32 administer this section. The department shall  
10 33 prescribe forms to be used by cities when making  
10 34 calculations required by this section.

10 35 Sec. \_\_\_\_ NEW SECTION. 384.1A ENDING FUND  
10 36 BALANCE LIMITATION.

10 37 The city council shall adopt a resolution on or  
10 38 before January 1, 2008, establishing a fund balance  
10 39 limitation for the city general fund. The fund  
10 40 balance limitation shall be in the form of the  
10 41 unreserved, undesignated fund balance in the fund,  
10 42 expressed as a percentage of budgeted expenditures in  
10 43 the fund. The city council may change the fund  
10 44 balance limitation at any time after January 1, 2008,  
10 45 by adopting a resolution stating the new fund balance  
10 46 limitation.

10 47 Sec. \_\_\_\_ Section 384.3, Code 2005, is amended to  
10 48 read as follows:

10 49 384.3 GENERAL FUND.

10 50 All moneys received for city government purposes  
11 1 from taxes and other sources must be credited to the  
11 2 general fund of the city, except that moneys received  
11 3 for the purposes of the debt service fund, the trust  
11 4 and agency funds, the capital improvements reserve  
11 5 fund, ~~the emergency fund~~ and other funds established  
11 6 by state law must be deposited as otherwise required  
11 7 or authorized by state law. All moneys received by a  
11 8 city from the federal government must be reported to  
11 9 the department of management who shall transmit a copy  
11 10 to the legislative services agency.

11 11 Sec. \_\_\_\_ Section 384.12, subsection 20,  
11 12 unnumbered paragraph 1, Code 2005, is amended by  
11 13 striking the unnumbered paragraph and inserting in  
11 14 lieu thereof the following:

11 15 The city council may certify for levy property tax  
11 16 dollars in addition to the maximum amount of property  
11 17 tax dollars computed under section 384.1 provided the  
11 18 question has been submitted at a special levy election  
11 19 and received a simple majority of the votes cast on  
11 20 the proposition.

11 21 Sec. \_\_\_\_ Section 384.12, subsection 20, paragraph  
11 22 c, Code 2005, is amended by striking the paragraph and  
11 23 inserting in lieu thereof the following:

11 24 c. The proposition to exceed the maximum dollar  
11 25 amount shall be substantially in the following form:

11 26 "Vote "yes" or "no" on the following question:  
11 27 Shall the city of \_\_\_\_\_ levy for an additional  
11 28 \$\_\_\_\_\_ each year for \_\_\_\_\_ years beginning July 1,  
11 29 \_\_\_\_\_, in excess of the statutory limits otherwise  
11 30 applicable for the city general fund for the purposes  
11 31 of \_\_\_\_\_?"

11 32 Sec. \_\_\_\_ NEW SECTION. 384.12A AUTHORITY TO LEVY  
11 33 BEYOND MAXIMUM PROPERTY TAX DOLLARS == UNUSUAL  
11 34 CIRCUMSTANCES.

11 35 If a city has unusual circumstances, creating a  
11 36 need for additional property tax dollars in excess of  
11 37 the maximum amount of property tax dollars computed  
11 38 under section 384.1, the city council may certify  
11 39 additional property tax dollars for deposit in the  
11 40 general fund as follows:

11 41 1. The basis for justifying additional property  
11 42 tax dollars under this section must be one or more of  
11 43 the following:

11 44 a. An unusual increase in population as determined  
11 45 by the preceding certified federal census.

11 46 b. A natural disaster or other emergency.

11 47 c. Unusual problems relating to major new  
11 48 functions required by state law.

11 49 d. Unusual staffing problems.  
11 50 e. Unusual need for additional moneys to permit  
12 1 continuance of a program which provides substantial  
12 2 benefit to city residents.

12 3 f. Unusual need for a new program which will  
12 4 provide substantial benefit to city residents, if the  
12 5 city establishes the need and the amount of necessary  
12 6 increased cost.

12 7 g. A reduced or unusually low growth rate in the  
12 8 property tax base of the city.

12 9 2. The public notice of a hearing on the city  
12 10 budget required by section 384.16 shall include the

12 11 following additional information for the applicable  
12 12 class of services:  
12 13 a. A statement that the accompanying budget  
12 14 summary requires a proposed property tax rate  
12 15 exceeding the maximum rate based on maximum property  
12 16 tax dollars computed under section 384.1.  
12 17 b. A comparison of the proposed basic tax rate  
12 18 with the maximum basic tax rate, and the dollar amount  
12 19 of the difference between the proposed rate and the  
12 20 maximum rate.  
12 21 c. A statement of the major reasons for the  
12 22 difference between the proposed basic tax rate and the  
12 23 maximum basic tax rate.  
12 24 The information required by this subsection shall  
12 25 be published in a conspicuous form as prescribed by  
12 26 the city finance committee.  
12 27 Sec. \_\_\_\_\_. Section 384.18, subsection 3, Code 2005,  
12 28 is amended to read as follows:  
12 29 3. To permit transfers from the debt service fund,  
12 30 the capital improvements reserve fund, ~~the emergency~~  
~~12 31 fund,~~ or other funds established by state law, to any  
12 32 other city fund, unless specifically prohibited by  
12 33 state law.  
12 34 Sec. \_\_\_\_\_. Section 386.8, Code 2005, is amended to  
12 35 read as follows:  
12 36 386.8 OPERATION TAX.  
12 37 A city may establish a self-supported improvement  
12 38 district operation fund, and may certify taxes not to  
12 39 exceed the rate limitation as established in the  
12 40 ordinance creating the district, or any amendment  
12 41 thereto, each year to be levied for the fund against  
12 42 all of the property in the district, for the purpose  
12 43 of paying the administrative expenses of the district,  
12 44 which may include but are not limited to  
12 45 administrative personnel salaries, a separate  
12 46 administrative office, planning costs including  
12 47 consultation fees, engineering fees, architectural  
12 48 fees, and legal fees and all other expenses reasonably  
12 49 associated with the administration of the district and  
12 50 the fulfilling of the purposes of the district. The  
13 1 taxes levied for this fund may also be used for the  
13 2 purpose of paying maintenance expenses of improvements  
13 3 or self-liquidating improvements for a specified  
13 4 length of time with one or more options to renew if  
13 5 such is clearly stated in the petition which requests  
13 6 the council to authorize construction of the  
13 7 improvement or self-liquidating improvement, whether  
13 8 or not such petition is combined with the petition  
13 9 requesting creation of a district. Parcels of  
13 10 property which are assessed as residential property  
13 11 for property tax purposes are exempt from the tax  
13 12 levied under this section except residential  
13 13 properties within a duly designated historic district.  
13 14 A tax levied under this section is not subject to the  
13 15 maximum dollars levy limitation in section 384.1.  
13 16 Sec. \_\_\_\_\_. Section 386.9, Code 2005, is amended to  
13 17 read as follows:  
13 18 386.9 CAPITAL IMPROVEMENT TAX.  
13 19 A city may establish a capital improvement fund for  
13 20 a district and may certify taxes, not to exceed the  
13 21 rate established by the ordinance creating the  
13 22 district, or any subsequent amendment thereto, each  
13 23 year to be levied for the fund against all of the  
13 24 property in the district, for the purpose of  
13 25 accumulating moneys for the financing or payment of a  
13 26 part or all of the costs of any improvement or self=  
13 27 liquidating improvement. However, parcels of property  
13 28 which are assessed as residential property for  
13 29 property tax purposes are exempt from the tax levied  
13 30 under this section except residential properties  
13 31 within a duly designated historic district. A tax  
13 32 levied under this section is not subject to the  
13 33 maximum dollars levy ~~limitations~~ limitation in section  
13 34 384.1 or the levy rate limitation in section 384.7.  
13 35 Sec. \_\_\_\_\_. Section 384.8, Code 2005, is repealed.  
13 36 Sec. \_\_\_\_\_. APPLICABILITY DATE. This division of  
13 37 this Act takes effect July 1, 2007, and applies to the  
13 38 fiscal year beginning July 1, 2008, and all subsequent  
13 39 fiscal years.>  
13 40 #5. Title page, line 3, by inserting after the  
13 41 word <requirements,> the following: <imposing a

13 42 maximum dollars limitation on cities and counties and  
13 43 including an applicability provision,>.  
13 44 [#6.](#) By renumbering as necessary.  
13 45  
13 46  
13 47 \_\_\_\_\_  
13 48 SHOULTZ of Black Hawk  
13 49 HF 847.707 81  
13 50 sc/gg/2778